



**NORTHERN IRELAND  
CONSTRUCTION INDUSTRY  
GROUP  
PROFESSIONAL COLLEGE**

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The Northern Ireland Assembly Committee for Finance and Personnel  
Room 419  
Parliament Buildings  
BELFAST  
BT4 3XX

26 February 2009

Dear Sirs

### **INQUIRY INTO PUBLIC PROCUREMENT POLICY AND PRACTICE IN NORTHERN IRELAND**

The Construction Industry Group for Northern Ireland (CIGNI) is a private sector body made up of 5 colleges namely, Professional Bodies; Contractors; Specialist Sub-Contractors; Suppliers and Clients. Its purpose is to ensure that the construction industry operates efficiently and effectively to meet the needs of modern society and it aims to achieve this by promoting excellence in all aspects of the work of the industry.

The Professional College consists of a number of bodies representing the interests of Construction Industry Professionals, including the Association of Building Engineers, Association for Consultancy and Engineering; Association of Project Management; Association for Project Safety; Chartered Institute of Architectural Technologists; Chartered Institute of Building Services Engineers; Chartered Institute of Building; Concrete Society; Institution of Civil Engineers; Institution of Structural Engineers; Landscape Institute, Royal Institution of Chartered Surveyors; and the Royal Society of Ulster Architects.

One of the objectives of the Professional College is to "*Promote best practice in procurement of professional services*" and thus the Professional College welcomes the opportunity to respond to the committee on this important issue. Based on the terms of reference we have examined the following:

*a. examine the experience of SMEs and SEEs in tendering for and delivering public contracts;*

- There are not enough tendering opportunities and 4 plus years frameworks lock too many SME's out of the system for too long.
- The tendering process is too detailed, too protracted, and too expensive.
- The tendering process is not uniform across government bodies.

*b. consider the nature, extent and application of social clauses within public contracts;*

- The application of social clauses has limited applicability to professional appointments.
- Social clauses are difficult to implement within a framework as they are project specific.

*c. identify issues to be addressed and which are within the remit of Department Finance Personnel (DFP);*

- Local professional consultants who are not included in long term frameworks are unable to gain the necessary experience to compete for future frameworks.



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- Experience criteria are set so as to encourage consultants from overseas to be included, and consequently, the design work for Northern Ireland projects is undertaken outside of Northern Ireland and thus reduces the number of quality jobs and skill base within NI and the resulting revenue is removed from the Northern Ireland economy.
- d. *assess progress by DFP in achieving associated objectives and targets, including those contained in the Programme for Government and related Public Service Agreements; and*
- The Professional College would like to know what the objectives and targets are, and the extent to which they have been met.
- e. *make recommendations to DFP for improvements to public procurement policies and processes, aimed at increasing access to opportunities for SMEs and SEEs and maximising the economic and social benefits for the local community, whilst taking account of the principles governing public procurement.*
- Maximise the opportunities for local consultants by increasing the number of professional consultants on frameworks.
  - Consideration should be given to separate minor works frameworks.
  - Minimise the risk of legal challenge by increasing the number of opportunities for local professional consultancies.
  - Avoid long term exclusion.
  - Consideration should also be given to quality versus fees to reduce the emphasis on lowest cost tendering.
  - Consideration should be given to reducing the protracted Planning process in Northern Ireland as this adversely impacts on the delivering public contracts.
  - Consider scale of turnover as selection criteria to be appropriate to local market. Future Procurement Strategies in Northern Ireland must have a *Northern Ireland Scale* and provide more opportunities for Local firms to tender.
  - The use of long term exclusive framework agreements as a method of procurement within the NI market should be reviewed.

The Professional College would welcome the opportunity to meet with you to discuss the issues raised.

Yours faithfully

Lynda Martin  
Chairman  
CIGNI Professional College